

Growth Experience Between the United States and Canada

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Abstract: In the era of globalization, the economy, employment, education, and environment are essential indicators for measuring a country's overall strength. The United States and Canada exhibit distinct characteristics in social governance and policy-making. Since its independence, the United States has gradually formed an individualistic economic model. Simultaneously, Canada, under its mixed colonial background of English and French, has placed greater emphasis on the development of collectivism and multiculturalism. These historical factors have further shaped the two countries' different policy orientations and practical achievements in the fields of economy, employment, education, and environmental protection. By analyzing the policies and practices of the two countries in these areas, this study will reveal their similarities and differences in addressing the challenges of globalization, promoting social equity and sustainable development, and providing useful historical and practical experience references for other countries.

Keywords: Economies, Employment, Education, Environment.

1. Introduction

This article compares the development experiences of the United States and Canada in areas such as economy, employment, education, and environmental protection. This article will compare the above aspects to demonstrate the differences in development experience between the United States and Canada. Although the United States and Canada are geographically adjacent and economically strong, there are significant differences in their development paths. Economically, Canada emphasizes social welfare and fair distribution, while the United States tends to lean towards a market-oriented capitalist model. Regarding employment policy, Canada emphasizes labor rights and social security, while the United States emphasizes flexible employment and innovation-driven development. In terms of education, Canada's public education system is renowned for its accessibility and quality, while the United States' higher education system and innovative spirit are at the forefront of the world. Regarding environmental protection, Canadian policies emphasize sustainable development and climate change response, while political factors and exhibit uncertainty influence American ecological policies. In addition, historically, the United States and Canada were emerging countries with similar colonial backgrounds. However, Canada's unification stems from the administrative transformation after negotiations. In contrast, the unification of the United States came from the typical contract established after the revolution [1]. The different political backgrounds of the United States and Canada undoubtedly lead to differences in their growth experiences. Comparative analysis

shows that the differences in development strategies between the two countries in various fields reflect different social values and policy priorities.

2. Differences in Economic Development Experience Between the United States and Canada

There is a significant difference in economic size between the United States and Canada, with the United States having the world's largest economy. In 2023, the Gross Domestic Product (GDP) of the United States reached \$27.72 trillion, with a per capita GDP of over \$80000, reaching \$82715 at a high growth rate of 6.1% [2]. This is mainly attributed to the vast domestic market, abundant human resources, and diverse industrial structure in the United States. Especially in the United States, the federal government attaches great importance to its role in technological innovation and economic development, and even in budget-constrained fiscal years, it continues to invest in scientific research [3]. In addition, the United States' global leadership in technology, finance, and manufacturing has attracted a large amount of international capital and talent, creating a highly competitive and dynamic economic environment. For example, Silicon Valley is the center of global technological innovation, while Wall Street is the core of international financial markets. This diversified economic structure endows the US economy with strong adaptability and risk resistance, enabling it to maintain growth amidst global economic fluctuations better.

In contrast, Canada's economy is relatively small in size. 2023 Canada's Gross Domestic Product (GDP) reached \$2.14 trillion, with a per capita GDP of 53431 [4]. However, its development model emphasizes the full utilization of resource advantages and economic diversification. Canada has abundant natural resources, and the export of these resources provides strong support for its economic growth. Among them, minerals and oil and gas products have the highest contribution to the trade surplus, with an export value of 144.5 billion Canadian Dollars in 2019, accounting for about 24.36% of the total export value, and a surplus of 95.2 billion Canadian Dollars, far higher than other product categories [5]. In addition, Canada is also striving to reduce its dependence on resources by developing service, manufacturing, and high-tech industries. Despite its economic size not being comparable to that of the United States, Canada still holds an important position in the global economy due to its stable economic policies, abundant resources, and high level of social welfare.

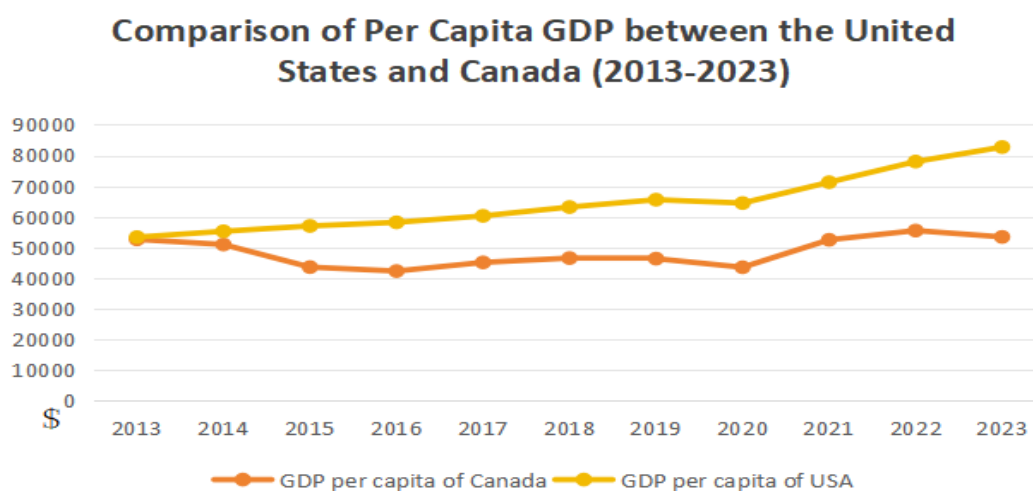


Figure 1: Comparison of Per Capita GDP between the United States and Canada (2013-2023)

The line chart in Figure 1 effectively illustrates the degree of change in per capita GDP in the United States and Canada from 2013 to 2023. Canada's per capita GDP reached its highest value of

\$55509 in mid-2022, while the United States reached its highest value of \$82715 in 2023. According to the two line trends representing the United States and Canada in the chart, the per capita GDP development of the United States has shown a linear upward trend in the past decade; the per capita GDP development in Canada is trending towards unstable fluctuations. Additionally, the per capita GDP of both countries will decline temporarily in 2020.

The main reason for the difference in economic development experience between the United States and Canada is that the United States' leading position in technological innovation and capital attraction prevents its economy from being significantly affected by fluctuations in a single industry, such as the resource industry. On the contrary, Canada's economic structure highly depends on natural resource exports, especially commodities such as oil, natural gas, and minerals. However, the sharp drop in oil prices in 2014, with oil prices dropping from over \$100 per barrel to around \$30 per barrel, dealt a particularly severe blow to the Canadian economy [6]. Realistic factors have decreased investment and export revenue in Canada's energy industry, affecting overall economic growth. In addition, due to the decrease in Canada's export trade, the amount of foreign exchange converted into Canadian dollars will also decrease, leading to a decrease in demand for Canadian dollars and a depreciation of the Canadian dollar. After 2014, the Canadian dollar rapidly depreciated against the US dollar, dropping from near parity to approximately \$0.75 [7]. Additionally, because the US dollar is the unit of measurement for global per capita GDP, its strong position further widens the gap between the two countries while attracting international investment. Therefore, the per capita GDP data gap between Canada and the United States is gradually widening.

The difference in economic size and growth experience between the two countries reflects their differences in natural resources and geographical location and reveals their respective roles in the global economic system. The United States has a considerable influence as the engine of the global economy. At the same time, Canada has achieved a higher quality of life and social stability with a smaller economic size through robust economic development and social policies.

3. Comparison of Employment Situation Between the United States and Canada

3.1. Employment Market Structure

In terms of employment, the job market in the United States is large and diversified, dominated by the service industry, especially in the fields of technology, finance, healthcare, and education, where numerous job opportunities exist. The high level of innovation in the US economy has driven the rapid development of the technology industry, giving rise to many highly skilled positions. In addition, the labor market in the United States is known for its flexibility, with companies being relatively free in hiring and firing employees. While this feature promotes innovation and competitiveness, it also leads to instability in the job market, especially in low-skilled and temporary positions.

Although Canada's job market is relatively small, it emphasizes social equity and welfare security more. The service industry also dominates the employment market in Canada, but resource-based industries and the public sector account for a significant proportion of employment. In addition, Canadian workers enjoy strong social security, including public health insurance and pension plans, which somewhat reduces the impact of economic fluctuations on the job market. Moreover, Canada's labor market is relatively stable, and unions play an important role in safeguarding workers' rights and negotiating wage benefits.

3.2. Unemployment Status

The unemployment rate in the United States in 2023 is 3.6%, and in Canada it is 5.4% [8]. The unemployment rate in the United States usually has significant volatility, especially during economic downturns when the unemployment rate rises significantly. For example, during the global financial

crisis in 2008 and the COVID-19 epidemic in 2020, the unemployment rate in the United States has risen sharply. This volatility is partly due to the flexible labor market in the United States, where companies tend to lay off employees quickly during economic downturns and recruit quickly during economic recovery. Because the US labor market is "less hindered by regulation," this helps US companies protect profits, increase productivity, and make it easier to respond to emergencies such as pandemics or economic crashes [9]. However, the US labor market is also known for its fast recovery and strong ability to create job opportunities, especially driven by the technology and service industries.

In contrast, Canada's unemployment rate fluctuates relatively less, reflecting its more robust economic policies and stronger social security system. The Canadian government has reduced the sharp rise in the unemployment rate during the economic crisis through a series of stimulus measures and unemployment insurance programs. Meanwhile, Canada's labor market structure is relatively stable, with the public sector and resource-based industries providing relatively stable employment opportunities. In addition, Canadian trade unions have strong power, with a total membership of 5.2 million as of the end of 2020 [10]. Trade unions have played an important role in maintaining employment stability and negotiating wage benefits, further alleviating fluctuations in unemployment rates.

4. Growth Experience of Education Levels Between the United States and Canada

4.1. Educational Investment

The United States attaches great importance to investment in higher education. It has some of the world's top universities and research institutions, attracting many international students and research talents yearly. The education system in the United States is renowned for its diversity and competitiveness, particularly in university and graduate education, where the federal government and private enterprises provide significant research funding and scholarships. However, there is also an imbalance in education investment in the United States. The expenditure of the richest 10% of school districts in the United States is almost ten times that of the poorest 10%, and the expenditure ratio within each state is 3:1 [11]. Especially in the primary education stage, the funding source of public schools mainly relies on local taxes, resulting in significant differences in educational resources and quality in different regions.

Canada's education investment is more balanced, emphasizing the accessibility and quality of public education. The education system in Canada is mainly based on public schools, and education from primary to high school is the responsibility of each province. The education departments of each province have the authority to formulate unified education and teaching policies, ensuring relatively equal educational resources between regions [12]. Although higher education in Canada is also competitive, tuition fees are relatively low, and the government's student loan and scholarship programs are more widespread, reducing the financial burden on students.

4.2. Quality of Education

The United States and Canada have unique characteristics in developing education quality. The United States' education system is renowned for its excellence in higher education. It has numerous world-class universities and research institutions, such as Harvard University, Stanford University, etc. These schools are leaders in global academic and research fields, attracting many international students and scholars. In addition, the diversity and competitiveness of higher education in the United States have promoted innovation and talent cultivation, making significant contributions to global technological and economic development.

Canada's higher education also has a high standard, with relatively affordable tuition fees and an increasing proportion of international students, reflecting the inclusiveness and attractiveness of its education system. In addition, most of Canada's labor education relies on vocational education. This training approach is based on career development and skill mastery, which can increase students' opportunities to interact and understand various professions to make career choices, as well as enable them to familiarize themselves with the work modes of different industries in advance and accumulate experience, thereby effectively enhancing their hard skills [13].

4.3. The Impact of Educational Development on Economic Development

In the United States, a strong higher education system fosters a wealth of talent and innovation for the high-tech industry. Most research and development activities at American universities are centered around approximately 200 leading research institutions. These universities not only conduct contract research for the federal government but also maintain close relationships with businesses and industries [14]. As a result, many university-level research projects have led to numerous patents, such as the canine cancer diagnosis patent from Arizona State University, which can be translated into commercial value and stimulate economic growth [15]. Additionally, the technology sector and these research innovations have generated many high-income jobs in the United States, contributing to sustained economic growth.

In contrast, while Canada makes notable contributions to research in artificial intelligence and high technology, its investment and achievements are significantly less than those of the United States. The diversity of research in Canada is not as broad due to its unique geographical location, which influences its education system to focus more on cultivating talent in traditional resource industries, such as petroleum engineering and geology. Moreover, the number of top universities in Canada is much lower compared to the United States, and their international influence is limited. Overall, Canada's education system struggles to support the development of emerging industries, leading the economy to rely more on natural resources and low-value-added service sectors, which hinders its ability to achieve long-term high growth.

5. Differences in Environmental Status Between the United States and Canada

In response to climate change and environmental governance, the United States has a long history and rich technological accumulation in environmental protection, especially leading the world in formulating environmental regulations and innovation in environmental technology. The establishment of the United States Environmental Protection Agency (EPA) marked the official intervention of the federal government in the field of environmental protection, and key laws such as the Clean Air Act and Clean Water Act subsequently expanded environmental regulations in the United States [16]. However, the challenges faced by the United States in environmental protection are also evident, especially in the fossil fuel industry and industrial emissions, where conflicts between economic interests and environmental goals occur occasionally. In addition, the continuity of environmental protection policies in the United States between different governments needs to be improved, and policy fluctuations are significant, which affects the achievement of long-term environmental goals [17].

However, Canada's environmental protection policies are more stable and continuous. Canada has shown outstanding performance in protecting natural resources and biodiversity, particularly its extensive national park system and wildlife conservation measures, demonstrating its emphasis on the ecosystem [18]. Canada has also taken proactive actions in addressing climate change, such as implementing carbon pricing mechanisms and promoting clean energy development. In addition, the Canadian public is highly aware of environmental protection and various sectors of society generally

support the government's measures for ecological protection. Despite this, Canada also faces challenges, particularly in balancing resource extraction and environmental protection, especially in managing oil sand extraction and forest resources, requiring further coordination between economic growth and environmental protection.

Overall, the United States has advantages in technological innovation and regulatory development for environmental protection, but its policies are challenged in terms of stability and consistency; Canada, on the other hand, has achieved significant results in protecting natural resources and promoting sustainable development through sound policies and high public participation.

6. Conclusion

Overall, by comparing the development experiences of the United States and Canada in the fields of economy, employment, education, and environmental protection, significant differences can be seen in policy choices, resource allocation, and social values between the two countries. The United States is renowned for its innovation-driven economy, flexible job market, excellent higher education, and leading environmental technology, demonstrating strong competitiveness and global influence. However, this model is also accompanied by issues of social inequality, policy volatility, and uneven distribution of resources. In contrast, Canada has built a more stable and inclusive social system through robust policies and strategies focusing on social equity and environmental sustainability. The stability of its job market, the accessibility of education, and the continuity of environmental protection have enabled Canada to demonstrate strong resilience and sustainable development capabilities in the face of global challenges. In short, the development experiences of the United States and Canada in these fields provide valuable references for the world, showcasing the diverse choices of different countries in pursuing economic growth and social well-being.

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